

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1377 - SB 1386

March 26, 2009

SUMMARY OF BILL: Requires test vendors for TCAP tests to return test scores to the Department of Education (DOE) within 60 days of test administration.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$6,445,600/Recurring
\$6,141,900/One-Time**

Increase Local Expenditures – Exceeds \$100,000*

Assumptions:

- Currently, test summary reporting is finished in mid-July. Adequate Yearly Progress (AYP) reporting is provided to local education agencies beginning in mid-July until August. Aggregate reporting is completed by November 1.
- A 60 day turnaround of assessment scores will require expedited processing and scoring of all tests.
- End of course (EOC) assessments are scored at 11 regional sites. Additional personnel and equipment will be added. Vendor contracts for scoring and generating assessment reports will be amended, requiring an increase in payment for these contracts.
- To expedite the EOC tests the DOE will purchase 11 scanners at approximately \$300,000 per scanner, a total cost of \$3,300,000 (\$300,000 x 11). Eleven cutters will be purchased at a cost of approximately \$25,000 per cutter, a total cost of \$275,000 (11 x \$25,000). Eleven computers will be purchased at a cost of approximately \$1,500 per computer, a total cost of \$16,500 (\$1,500 x 11). Software programming will cost approximately \$1,500,000. A remote scan setup will be placed at each site, at a cost of approximately \$16,689 per setup, a total cost of \$183,579 (\$16,689 x 11). Additional computer hardware and T-1 lines will be setup at a cost of approximately \$12,070 per site, a total cost of \$132,770 (\$12,070 x 11). Additional scanner programming

HB 1377 - SB 1386


will be purchased at a cost of approximately \$66,740 per site, a total cost of \$734,140 (\$66,740 x 11). Vendor contract updates will cost approximately \$2,366,207.

- Total EOC increases in state one-time expenditures will be approximately \$6,141,919 (\$3,300,000 + \$275,000 + \$16,500 + \$1,500,000 + \$183,579 + 132,700 + \$734,140).
- Recurring state expenditures for EOC vendor contracts will be \$2,366,207.
- For the writing assessment, an online writing test will be provided and scoring using artificial intelligence programs will be used in addition to human scoring. Online testing setup for three grades will be \$180,752 per grade, a total cost of approximately \$542,256 (\$180,752 x 3). Online tests will cost approximately \$8.62 per student for approximately 250,000 students annually, a total cost of \$2,155,000 (\$8.62 x 250,000). Online writing scoring at approximately \$3.81 per student will be \$952,500 (\$3.81 x 250,000). Online portfolio scoring will cost approximately \$429,600.
- Total increases in recurring state expenditures for writing assessments will be approximately \$4,079,356 (\$542,256 + \$2,155,000 + \$952,500 + \$429,600).
- Total increase in recurring state expenditures for EOC and writing expedited scoring and reporting using the state's current format of testing will be approximately \$6,445,563 (\$2,366,207 + \$4,079,356).
- LEAs will have an increase in costs related to staffing to assist in regional scanning, professional development, and travel costs. Though the exact increase in local expenditures is unknown, it is estimated that these expenditures will exceed \$100,000 annually.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/msg